CONTRIBUTING FACTORS OF INTEREST IN BUYING AT CONVENIENCE STORE

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ABSTRACT

In-depth interview followed by a survey is conducted to know factors contributing to interest in buying at convenience store. Forty two variables are derived from the interview that is converted into a 42 items questionnaire. Using exploratory factor analysis with principal factor extraction, five factors are extracted with 14 remain significant variables. The five factors that contribute to theinterest in buying at convenience store are additional services, variety of items, staff performance, store size, and store layout. The highest variance that explains the interest in buying at convenience store is the availability of additional services while the least variance is store layout. No significant relation is found between interest in buying at convenience store and gender, monthly expenditure, or years of study.

KEYWORDS: Convenience Store, Interest in Buying, Additional Services, Variety of Items, Staff Performance, Store Size, and Store Layout

INTRODUCTION

When life becomes busier people has less time to spend for shopping. They don't want to queue up in a long line in front of cashier just to buy fewnecessary items. This is where conveniencestore becomes necessary. "Convenience stores are small-sized stores that offer a limited range of grocery and other items that people are likely to need or want as a matter of convenience." (Sheri & Bronwyn, 2012)Convenience store business seems getting popular. According to National Youth Development Agency (2010), "For people on the go, convenience store has become a necessity in providing for a variety of different needs. From snacks and beverages to homemade sandwiches and ice cream, convenience store locations are great opportunities for the potential entrepreneur". Some universities apply this business model in their campuses to provide the convenient service to their busy students. Convenience in shopping may bringsome benefits to student such as located close to where they are, less time for shopping and more time for their study.People go to convenience store for speed and ease. It is because they are easy to reach, they enable customers to speedily identify and select the products they want, they make it easy for customers to obtain desired products, and they expedite the purchase and return of products (Seiders, Berry & Gresham, 2000). Convenience store in university may have some advantages toother convenience store. University convenience store may be financially supported by university, having particular captive market that are students, and located close to its market. Though there are some common characteristics between university convenience stores and general convenience stores, there are some characteristics that might be applied only to university convenience stores.Most university convenience customers are transient groups. When graduation comes, twenty five percent of the customers that had been known for their likes and dislikes were disappeared (Megan & John, 2012).

Studies showed that there is a positive correlation between consumer perceived warmth of the service clerk and perceived quality and loyalty to the store (Lemmink & Mattsson, 1998).Study of Mansor & Ali (2010) found significant relationship between service quality and customer perception on retail business. Althoughcustomers want courteous and

helpful clerks in the convenience stores, study by Sutton &Rafaeli (1988) suggested they should not engage in extended conversations that may waste their time. Loyalty will lead to repeat buying since customer would repeat habits to purchase (Ji & Wood, 2007). It is the habit that brings people to repeat buying. Bettman and Zins (1977) found that about one fourth of housewives' supermarket purchases were repetitions of past choices.Howeverin the study on restaurant, it was the trust on the food and the cleanliness of kitchen and restroom that they want to dine (Lee, Niode, Sinonne & Bruhn, 2012). Other found that it was the family that was the most important factor in buying goods and services (Yakup & Sevil, 2011), something that totally not related to the product or service. Other study found it was the features of the product that attract buyer (Khairuddin, Shukran, Maskat & Isa, 2012).

In terms of buying satisfaction, it was the information learned after the purchase that has greater impact on satisfaction than information learned before the purchase (Cooke, Meyvis & Schwartz, 2001). In terms of product feature (in this case food products), older people were more concerned with its safety than younger, women tended to be more cautious on food than men, and highly educated consumers thought about product safety less often than those with lower education (Lee, Niode, Sinonne & Bruhn, 2012).

Studies on buying behavior had been done on supermarket, restaurant and other kind of stores but few studies had been done on university convenience stores. It is the intention of this study to look at the buying behavior at university convenience store. The main purpose of the study is to know the factors contribute to student's interest in buying at university convenience store.Specifically to answer the following questions: What factors contribute to student's interest in buying at university convenience store? Which of those factors account for the most variance? Do interest in buying at university convenience store relate to students' gender, monthly expenditure, or years of study?

METHODS

This research uses both qualitative and quantitativeapproaches. Qualitative approach was used in discoveringvariables to be analyzed while the quantitative approach was used to group the variables into factors. In-depth interviewed to eight undergraduate students were done. The interview was recorded and transcribed. The transcription then was analyzed using content analysis technique to discover the variables. There were 42 variables derived from in-depth interviewed. These 42 variables were converted into items in a questionnaire. The reliability and construct validityof this questionnaire was tested. Using Cronbach's Alpha test of reliability the coefficient of reliability was 81 percent. Twenty two items were removed due to low Item-Reminder Coefficient (Spector, 1992), that was lower than .30.

The questionnaire was distributed to 135 respondents. They were the undergraduate students of the Asia-Pacific International University, Thailand that used to shop at university convenience stores and as the sample of this study. The sample was selected using systematic sampling technique. Based on the respondent consistency coefficient (Kountur, 2011), twenty nine respondents were bias in filling up the questionnaire.They had to be removed which remain 106 respondents for further analysis.In answering the first and second research questions, exploratory factor analysis was used while in answering the third question, t-test analysis and Pearson product moment correlation analysis were used.

RESULTS

What factors contribute to students' interest in buying at university convenience store? Which of those factors account for the most variance? Exploratory factor analysis with principal factor extraction and varimax rotation method was performed on 20 variables that were converted into items of self-developed questionnaire for a sample of 106 respondents. Kaiser-Meyer-Olkin's (KMO) overall measure of sampling adequacy (MSA) is .579 which is acceptable since

greater than .50 (Santoso&Tjiptono, 2001). Three items were removed due to low MSA that is less than .50 that remain 17 items for further analysis.

Five factors were extracted. Three of these five factors were internally consistent and well defined by the variables that are shown by reliability score of Cronbach's alpha that is more than .70 as shown in Table 1.Cronbach's alpha of .70 and above indicate that the variables in the factor are internally consistent or measuring the same things (Saudners, Lewis, & Thornhill, 2012). However two of the factors are slightly lower than 70. The five factors that contribute to students' interest in buying at university convenience store are (1) additional services, (2) variety of items, (3) staff performance, (4) store size, and (5) store layout.

Table 1: Cronbach's Alpha Measure of Internal Consistency

	Cronbach's Alpha
Factor 1: Additional services	0.715
Factor 2: Variety of items	0.709
Factor 3: Staff performance	0.686
Factor 4: Store size	0.734
Factor 5: Store layout	0.609

The five factors explained 52 .28 percent of the variance that build the interest of student buying at university convenience store. As shown in Table 2 factor that accounts the highest variance is factor 1 which is the availability of additional services (12.68%) while factor that account the least variance is factor 5 (7.82%)that is store layout.

Table 2: Percentage of Variance after Varimax Rotation

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Variability (%)	12.68	11.98	9.58	10.23	7.82
Cumulative %	12.68	24.65	34.24	44.46	52.28

Loading of variables on factors are shown in Table 3. Variables are ordered and grouped by size of loading to facilitate interpretation. Since substantial loading is above .45 (Tabchnic & Fidel, 2013) any factor loading less than 45 will be removed. Three variables were removed due to lower factor loading than .45 which left 14 items.As shown in Table 3, providing more time for store to operate (r = .691) and having photocopy as additional services (r = .664) is the highest loading for factor 1. These two variables indicate the need of additional service then just selling items. Provide variety of drinks(r = .796) is the highest loading for factor 2. Since selling drinking water is one of the items offered in the store, variety of drinks may indicate variety of items. Having good communication with staff (r = .964) is the highest loading for factor 3. Good communication indicated one of the performance required for the staff. The size of store (r = .978) is the highest loading for factor 4. Though the style of uniform (r = .7450) is the highest loading for factor 5 the next highest loading for factor 5 seems more appropriate to indicate the name of factor 5 that is having place to sit that relate to store layout (r =.598).

Table 3: Factor Pattern after Varimax Rotation

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Service time should be extended	0.691	-0.068	0.044	0.055	0.100
Photocopy service is necessary	0.664	0.044	-0.185	0.047	0.022
Having photo printing service	0.566	0.129	-0.020	0.186	0.004
Store is bigger	0.516	0.051	-0.036	0.106	0.280
Variety of drinks	0.215	0.796	-0.065	0.004	-0.168

Table 3: Contd.,					
A lot of drink available	0.060	0.609	-0.145	0.100	-0.089
Variety of foods	0.004	0.568	-0.024	-0.034	0.158
The price of food is cheap	-0.091	0.539	0.138	0.023	0.106
Communication with staff	-0.015	-0.007	0.964	0.112	-0.041
Performance of staff	-0.097	-0.043	0.544	-0.098	-0.024
The size of store	0.162	-0.034	-0.022	0.978	0.055
Little of food available	0.125	0.071	-0.014	0.567	0.119
The style of uniform	0.069	0.124	0.042	0.259	0.745
Having place to sit	0.395	-0.094	-0.174	-0.049	0.598

Factor 1 = additional services; Factor 2 = variety of items; Factor 3 = staff performance; Factor 4 = store size, and Factor 5 = store layout.

Do interest in buying at university convenience store relate to gender, monthly expenditure, or years of study? An independent-samples t test was calculated comparing the mean scores of factors contributing to students' interest in buying at university convenience store between male and female students found no significant different ($t(104) = 1.28$, $p = .203$). The mean of male students ($M = 3.418$, $SD = 0.452$) was not significantly different from the mean of female students ($M = 3.321$, $SD = 0.317$).A Pearson correlation was calculated examining the relationship between students' interest in buying at university convenience store and monthly expenditure. A weak correlation that was not significant was found ($r(92) = .14$, $p = .179$). Interest in buying at university convenience store is not related to the monthly expenditure of the students. Also a weak correlation that was not significant was found between interest in buying at university store and years of study ($r(103) = .11$, $p = .270$). Interest in buying at university convenience store is not related to the years of study.

DISCUSSIONS

Stores that provide additional services may attract buyers. Additional services are the strongest factor among other four factors that contribute to the attractiveness of university convenience stores. This is consistent with the study of Lee, Niode, Sinonne & Bruhn (2012) which found that restaurant attractiveness was not only about the food but other additional service such as cleanliness of restroom. It is the additional services that make stores or restaurant become more attractive to visit.

The second important factor contribute to students' interest in buying at university convenience store is variety of items offered. Some studies showed that it was the habit that leads to repeat buying (Ji & Wood, 2007). Since people used to visit the store, she will keep on visiting the same stores to buy. By offering variety of items people tend to regularly come and that will develop the habit of visiting the same stores. Offering variety of items in university convenience stores will open the chance of regular visit since variety of items attract buyer. Regularly visit the store will gradually become habit that lead to becomeloyal buyers.When they know that they can get the brand that they used to buy in that store, they will keep on coming to that store. As the study of Beneke (2010) showed that most people will buy the same brands that they used to buy before.

Staff performance is another important factor, as other studies showed that perceived warmth service clerk that indicate the service quality of the store had positive correlation with loyalty and perception toward the store (Lemmink & Mattsson, 1998; Mansor & Ali, 2010). Store size and store layout are another two factors that attract students to buy at university convenience store. The study of Manjunatha & Shivalingaiah (2004) on the perception of the quality of library support this finding. They found that elements of tangible such as type of facilities, building space ease of access significantly relate to customers perception of quality in libraries.

The five factors that contribute to students' interest on buying at university convenience store seem not relate to gender, monthly expenses, and year of study. This is contradict with the study of Lee, Niode, Sinonne & Bruhn (2012) that

found women tended to be more cautious in consuming food in restaurant than men. Since their study is toward consumption of food in restaurant, there could be a different attitude of buying at restaurant and buying at convenience stores.

The study was limited to students as respondents that used to shop at university convenience stores. Similar further study need to be done to general people that used to shop at general convenience stores.

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